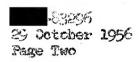


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of Headquarters leads us to believe their we may not have been successful in establishing this matter as a problem is relating policies and considerations which completely transcend the purely technical accounting and property aspects thereof.

4. In order to emphasize come of the bronder issues involved, we will again summarize below some of our basis objections to FAA and PAC:

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- (a) The Station has allowed a stabilished the AURARK property accountability system, we have pedead property records, and can furnish informational reports afectate to all proctical needs. The imposition of a secondary control and informational system is essentially unnecessary.
- (b) The argument that some projects have historically vestly exceeded their authorized scope and magnitude due to lack of a Property Authorization Control system is not, in our opinion, a valid one for the imposition of the PAC system contemplated. Projects with significant property requirements are numerically insignificant and a simple system to control such projects is cartainly feasible.

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- (c) The Station is not a significant tog in the KUBANK world-wide supply system. Its supply function relates almost exclusively to its own operations which are of a nature which neither warrants nor justifies such elaborate property and financial controls.
- (d) Based upon the one-year experience of the Station with FPA procedures, the expenditure of manpower on this effort is in such disproportion to the benefits derived as to constitute violation of KUBARK management and manpower utilization policies.
- (e) It is extremely doubtful if FPA and PAC can ever be applied to all Class A Bases in the field. We see little merit, therefore, in its spotty implementation at isolated points in the world.
- (f) FPA and PAC will require an expansion of administrative machinery which is diametrically opposed to the present decentralization program of the Station and the contraction program which must at least be planned for in the absence of any forseeable implementation date.
- (g) The FPA and PAC systems are so technical and complicated that only persons specially trained in their comprehension and application could put them into effect. Attention is called to the fact that the Handbook of instructions for FPA is more wordy, bulky, and technically complicated than the total Handbook on Class A Station Accounting and Reporting Procedures. We submit, therefore, that although the systems



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represent a fine piece of technical procedure, many weeks of training and overtime work would be necessary to install the system.

- 5. We recognize that, within the normal staffing pattern of Headquarters, administrative matters such as this would normally be considered largely by the Chiefs of the technical components concerned. In this case we believe non-technical considerations, such as work simplification policies, manpower conservation policies, and the maintenance of balance between optimum operational effectiveness and optimum administrative control, completely transcend the purely technical considerations.
- 6. It is for these reasons that we make the specific suggestion that the juxtapositions of Headquarters and the Station be brought to the personal 25X1A6a attention of the Chief, upon his return to Headquarters. This seems 25X1A2g and policy questions we raise but because his current trip to a somewhat analagous operational area has probably given him first-hand information on this particular subject.
- 7. A final point may be in order-to explain our persistent claims that additional, and perhaps more highly-trained, personnel will be required to fully implement FPA and PAC.
- 25X1A2g property managed by and and will require additional Finance personnel.

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- (b) The establishment of PAC will undoubtedly require still additional personnel in a number which cannot be accurately forecast.
- 8. In winding this up, we again might point out that our entire trend is to eliminate any supply depot function from the Station. Most of our equip- 25X1A6a ment is overhead property in use under tight controls, and other supplies are largely expendable. In the latter area, most procurement is effected locally and is being handled on a hand-to-mouth basis. We are currently taking inventories of ordinance material with a view toward reducing our stocks to absolute minimum requirements. In the longer-range point of view, we are currently planning for facilities, and personnel of the great time drastic curtailment of the operations, 25X1C4a are pertinent to the present issues.

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9. We stand ready to provide any desired information regarding the makeup of current property inventories, amagewer hours expended on FFA, and current procurement policies and practices.

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